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FISCAL IMPACT STATEMENT

LS 7371

BILL NUMBER: HB 1534

NOTE PREPARED: Jan 15, 2007

BILL AMENDED:

SUBJECT: Incentives for Teachers.

FIRST AUTHOR: Rep. Thompson

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: *License Renewal:* This bill requires the Department of Education, "DOE", to accept semester hours in a mathematics or science licensure program at an accredited teacher education school for the renewal of a teacher's license if the course work is approved by: (1) the superintendent of the school corporation that employs the teacher; or (2) the Department of Education if the teacher is not employed by a school corporation.

Emergency Permit: The bill allows a college graduate who meets certain qualifications to be issued an instructional emergency permit authorizing the college graduate to teach school for two years. It allows certain Transition to Teaching Program participants to receive additional incremental compensation.

Math & Science Teacher Compensation: The bill requires a school corporation's salary schedule to include course work taken in math or science for a teacher's license renewal as a qualifying criterion for additional compensation if the course work is approved by the school corporation's superintendent. It requires the superintendent of a school corporation to enter into a letter of commitment to pay additional salary to a teacher who is enrolled in a mathematics or science program that is approved by the superintendent and who satisfies certain other conditions.

Master's Degree: The bill allows a teacher who has completed at least 36 credit hours of college studies beyond a bachelor's degree and certain math or science course work to be compensated under a salary classification equivalent to a teacher who holds a master's degree.

The bill allows certain math and science teachers to receive additional compensation.

It makes certain other changes.

Effective Date: Upon passage; July 1, 2007.

Explanation of State Expenditures: *License Renewal:* The license renewal provisions requiring the DOE to accept semester hours in a mathematics or science licensure program at an accredited teacher education school for the renewal of a teacher's license if the course work is approved by the superintendent of the school corporation that employs the teacher the Department of Education if the teacher is not employed by a school corporation should have no fiscal.

Emergency Permit: The bill allows the Department of Education to grant an Instructional Emergency Permit for a person to teach if the individual has a bachelor's degree with a grade-point average of at least 3.5 on a 4.0 scale in the following subject areas in which the person intends to teach:

1. Mathematics.
2. Science.
3. English.
4. Social Studies.

If a person with an Instructional Emergency Permit enrolls in the Transition to Teaching Program, the individual would be eligible for additional compensation of \$2,000 per year for the first two years of teaching and an additional \$2,000 upon the completion of the Transition to Teaching Program. There currently have been about 1,344 Transition to Teaching licenses issued; about 440 of the licenses are in the mathematics, science, English, and social studies areas.

The state would reimburse the school corporations for the additional compensation paid. The state impact will depend on the number of people with an Instructional Emergency Permit and enrolled in the Transition to Teaching Program. If 40 people took advantage of the opportunity, then the state impact would be about \$80,000 for the first year. Each of the 40 individuals would be eligible for another \$2,000 in the second year, plus another \$2,000 if the individual completes the Transition to Teaching Program.

Explanation of State Revenues:

Explanation of Local Expenditures: *Math & Science Teacher Compensation:* Schools would be allowed to provide additional compensation to mathematics and science teachers. The maximum additional compensation equals (20 minus the number of years of experience) times \$100.

The impact would depend on the action of local schools. Based on 2005-2006 school data, the maximum impact if all schools granted the maximum compensation would be about \$6.1 M per year. Approximately 4,907 of the 7,477 mathematics and science teachers would be eligible for additional compensation.

Master's Degree: The fiscal impact would depend on the number of teachers with over 36 credit hours of course work and certain math or science courses. Most of the eligible teachers would probably be math or science teachers. For the 2005-2006 school year, there were about 3,202 math and science teachers with a bachelor's degree teaching school. Their salaries were approximately \$120 M.

It is unknown how many teachers would qualify to be compensated under the master's degree salary schedule of schools. The average difference in salary schedules between the bachelor's degree and master's degree is about 13%. If 10% of the math and science teachers would qualify to be on the masters salary schedule, the

increase in school expenditures would be about \$1.5 M.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools.

Information Sources:

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